Labour Market Bulletin

British Columbia

April 2018

This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of British Columbia (BC), including the regions of Northern BC, Vancouver Island and Coast, Lower Mainland, Thompson–Okanagan and the Kootenays.

OVERVIEW

Employment in BC was relatively unchanged in April 2018 (+0.1%), while full-time monthly employment gains (+18,200) outpaced part-time employment losses (-15,300). Year over year, employment in the province grew 0.9% due to strong gains in full-time employment (+36,400).

There were 5,200 more self-employed workers in BC in April 2018. In fact, the majority of employment gains in BC for the month of April were self-employed workers. Public sector employment gained 1,500 positions in April while private sector employment recorded a loss (-3,800) for the second consecutive month. Although the private sector lost 13,900 positions year over year in BC, these losses were offset by annual employment gains in the public sector (+7,900) and the self-employed (+28,900).[1]

Although BC's unemployment rate edged up to 5.0% in April, it has remained the lowest of any province in Canada since September 2017. According to Statistics Canada's Review of the Labour Market 2017, key labour market indicators signal that BC's labour market is tightening. Indeed, of all the provinces, BC had the highest rates of both employment growth (+3.7%) and job vacancy (3.8%) in 2017, as well as the lowest unemployment rate (5.1%). In addition, BC's average weekly earnings rose a healthy 2.5% to $943 a week in 2017.[2]

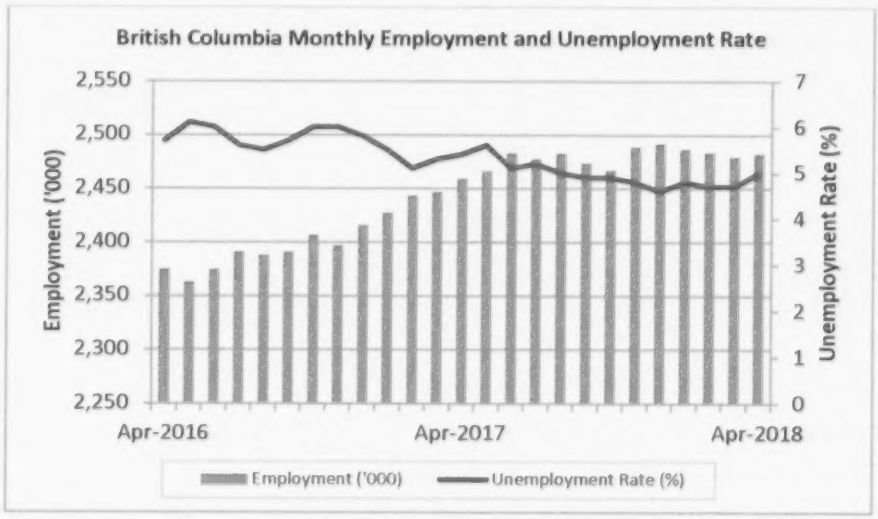
Looking at BC's major demographic groups, the unemployment rate for young men and women (age 15 to 24) increased in April, up 1.5 and 1.4 percentage points respectively. Young men continue to have the highest unemployment rate among demographic groups in the province at 10.0%. Men (age 25 and over) had a slight increase in their unemployment rate in April (+0.2 percentage points) edging up to 4.5%, while women (age 25 and older) maintain the lowest unemployment rate of any demographic group in the province (4.3%).

British Columbia Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	April 2018	March 2018	April 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	4,018.4	4,012.3	3,968.3	6.1	0.2	50.1	1.3
Labour Force ('000)	2,613.6	2,602.6	2,599.7	11.0	0.4	13.9	0.5
Employment ('000)	2,482.4	2,479.5	2,459.4	2.9	0.1	23.0	0.9
Full-Time ('000)	1,964.3	1,946.1	1,927.9	18.2	0.9	36.4	1.9
Part-Time ('000)	518.1	533.4	531.5	-15.3	-2.9	-13.4	-2.5
Unemployment ('000)	131.3	123.1	140.3	8.2	6.7	-9.0	-6.4
Unemployment Rate (%)	5.0	4.7	5.4	0.3	-	-0.4	-
Participation Rate (%)	65.0	64.9	65.5	0.1	-	-0.5	-
Employment Rate (%)	61.8	61.8	62.0	0.0	-	-0.2	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087



British Columbia Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	April 2018 (%)	March 2018 (%)	April 2017 (%)	Monthly Variation (% points)	Yearly Variation (% points)
Total	5.0	4.7	5.4	0.3	-0.4
25 years and over	4.4	4.3	4.7	0.1	-0.3
Men - 25 years and over	4.5	4.3	5.0	0.2	-0.5
Women - 25 years and over	4.3	4.3	4.4	0.0	-0.1
15 to 24 years	8.7	7.3	9.3	1.4	-0.6
Men - 15 to 24 years	10.0	8.5	11.3	1.5	-1.3
Women - 15 to 24 years	7.4	6.0	7.3	1.4	0.1

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

EMPLOYMENT BY INDUSTRY

Employment in BC's goods-producing sector increased during the month of April (+4,000) while employment in the services-producing sector decreased (-1,100). Year over year there were significant employment gains in the goods-producing sector (+22,400) while the services-producing sector was relatively unchanged (+500).

In April 2018, monthly employment gains in the goods-producing sector occurred in the utilities industry (+200), agriculture industry (+2,200) and the manufacturing industry (+ 3,000). All told, there were 8,400 more jobs in BC's manufacturing industry year over year. According to the Conference Board of Canada, shipbuilding at the Seaspan Shipyards is one of the main reasons for growth in the province's manufacturing industry.[3]

Seaspan secured an $8 billion shipbuilding contract in 2011 after winning a bid under Canada's National Shipbuilding Strategy.[4] In 2013, the company acquired a $3.3 billion contract with the federal government to build non-combat ships. Seaspan later completed a $155 million modernization of its Vancouver shipyards.[5] In addition, several new large private and public sector contracts for ship maintenance and repairs are expected to increase employment at Seaspan's Victoria Shipyards by about 25 %, with 600 to 1,000 individuals employed through to 2020.[6,7]

In other goods-producing industries, employment in BC's resource extraction industry (forestry, fishing, mining, quarrying, oil and gas)(-600) and in the construction industry (-900) declined during the month of April 2018. On an annual basis, while resource extraction industry employment was down 1.4% (-700), there were 16,400 more positions in BC's construction industry year over year (+7.3%).

This summer is likely to be another busy construction season in the province judging from the value of building permits issued recently. According to Statistics Canada's most recent data, the value of building permits issued in BC for the month of March 2018 was up 22.5% compared to February 2018 and up 74.2% from March 2017. Construction intentions are on the rise in BC. In fact, the total value of building permits issued in BC in 2017 was 18.5% greater than in 2016.[8]

Construction on the Kinder Morgan Trans Mountain pipeline expansion is now approximately a year behind schedule while Kinder Morgan Canada Limited announced it is suspending all non-essential activities related to the $7.4 billion project. Setting a deadline for an agreement of May 31, Kinder Morgan will now consult with stakeholders regarding a path forward that would allow for the construction of the pipeline through the province.[9] The Government of BC opposes the project and has submitted a reference question to the BC Court of Appeal to affirm its right to protect the province from the threat of a diluted bitumen spill.[10] It has been estimated the project would generate 189,000 person-years of employment in BC including 36,000 during project development and 39,000 during operations.[11]

Meanwhile, the Government of Alberta introduced new legislation that would give the province authority to restrict the export of natural gas, crude oil and refined fuels across its borders.[12] Such legislation would likely increase the price of fuel in BC where the average cost of regular gas is already significantly higher than any province in Canada at over $1.48 a litre.[13]

Within the services-producing sector, there were significant monthly employment gains in BC's professional, scientific and technical services industry (+5,900). In fact, on an annual basis, there were almost 16,000 more positions in this industry in April 2018 (+8.3%). Employment in computer systems design and related services falls under this services-producing industry and is an integral part of BC's emerging high-tech industry. The Government of BC estimates there will be over 83,400 high-tech industry-related jobs in BC by 2027.[14]

Amazon recently announced plans to open a 416,000 square-foot development centre in Vancouver by 2022. The new location will employ an additional 3,000 people in corporate positions primarily specialized in high-tech roles. Engineers will be hired to develop e-commerce technology, cloud computing and machine learning. Amazon currently employs about 1,000 researchers and engineers at Vancouver's TELUS Garden location which opened in 2015. In November 2017, Amazon announced plans to expand into another downtown site on Dunsmuir Street, which will employ another 1,000 people and open by 2020. All told, Amazon is expected to employ 5,000 people in Metro Vancouver by 2022.[15,16]

To increase the available qualified labour force in BC's high-tech industry, the Province recently announced a new tech-expansion education plan that will add 2,900 tech-related spaces in public post-secondary institutions throughout BC, including 370 tech spaces in niche programs. This expansion is expected to produce 1,000 additional tech-grads a year by 2023.[17]

British Columbia Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	April 2018	March 2018	April 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,482.4	2,479.5	2,459.4	2.9	0.1	23.0	0.9
Goods-producing sector	507.4	503.4	485.0	4.0	0.8	22.4	4.6
Agriculture	24.8	22.6	27.4	2.2	9.7	-2.6	-9.5
Forestry, fishing, mining, quarrying, oil and gas	49.5	50.1	50.2	-0.6	-1.2	-0.7	-1.4
Utilities	13.9	13.7	13.0	0.2	1.5	0.9	6.9
Construction	240.8	241.7	224.4	-0.9	-0.4	16.4	7.3
Manufacturing	178.4	175.4	170.0	3.0	1.7	8.4	4.9
Services-producing sector	1,975.0	1,976.1	1,974.5	-1.1	-0.1	0.5	0.0
Trade	368.0	370.3	365.7	-2.3	-0.6	2.3	0.6
Transportation and warehousing	135.0	131.1	142.3	3.9	3.0	-7.3	-5.1
Finance, insurance, real estate and leasing	147.9	154.3	156.2	-6.4	-4.1	-8.3	-5.3
Professional, scientific and technical services	207.1	201.2	191.2	5.9	2.9	15.9	8.3
Business, building and other support services	99.5	103.7	102.3	-4.2	-4.1	-2.8	-2.7
Educational services	167.0	168.3	166.8	-1.3	-0.8	0.2	0.1
Health care and social assistance	328.4	327.2	303.5	1.2	0.4	24.9	8.2
Information, culture and recreation	121.9	122.3	140.1	-0.4	-0.3	-18.2	-13.0
Accommodation and food services	180.6	175.6	181.2	5.0	2.8	-0.6	-0.3
Other services	118.0	119.8	119.1	-1.8	-1.5	-1.1	-0.9
Public administration	101.6	102.5	105.9	-0.9	-0.9	-4.3	-4.1

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

REGIONAL ANALYSIS

Employment is up in four of BC's seven economic regions on a year over year basis. The largest annual employment gains were in the Lower Mainland-Southwest (+34,600) followed by Vancouver Island and Coast (+8,700).

New opportunities for specialized employment in the biotech industry are expected in the Lower Mainland-Southwest following an announcement that the Government of BC and the Government of Canada are contributing a combined total of $45 million to Vancouver's STEMCELL Technologies.[18] STEMCELL is Canada's largest biotechnology company and currently employs approximately 900 people in Metro Vancouver and 1,000 people globally. The government funding will be used in combination with STEMCELL's investment of $93 million to construct a new advanced biotech manufacturing facility in Burnaby.[19] The new facility is expected to create up to 200 positions annually for the next four years reaching 675 by 2022 and eventually adding a total of 2,170 new employees by 2031.[20]

On Vancouver Island, the Nanaimo Port Authority is partnering with Western Stevedoring on an $18 million project to convert an existing 60,000 square foot warehouse into an automobile processing centre and upgrade the wharf's pier to accommodate large cargo vessels bringing in vehicles. The new operation is expected to create up to 60 positions in the short term increasing to approximately 110 in the long term. The first shipment of vehicles is expected to arrive in January 2019.[21,22]

British Columbia Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	April 2018 ('000)	April 2017 ('000)	Yearly Variation (%)	April 2018 (%)	April 2017 (%)	Yearly Variation (% points)
British Columbia	2,457.0	2,425.4	1.3	4.9	5.4	-0.5
Economic Regions						
Vancouver Island and Coast	390.3	381.6	2.3	5.2	5.3	-0.1
Lower Mainland-Southwest	1,589.2	1,554.6	2.2	4.3	4.8	-0.5
Thompson-Okanagan	246.0	255.4	-3.7	7.1	7.3	-0.2
Kootenay	66.7	73.5	-9.3	5.4	7.4	-2.0
Cariboo	83.4	79.9	4.4	5.9	8.9	-3.0
North Coast and Nechako	42.9	40.7	5.4	8.1	6.2	1.9
Northeast	38.6	39.6	-2.5	6.3	5.5	0.8

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122

Note: *In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.*

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***For information on the Labour Force Survey**, please visit the Statistics Canada Web site at: www.statcan.gc.ca*

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